# SUMMARY REPORT

## COLD LAKE OIL SANDS DEPOSIT
## Urban Municipality/Industry Information Exchange

A Workshop sponsored by the
Advisory Committee on Heavy Oil and Oil Sands Development

Alberta
ENERGY

*SUMMARY REPORT*

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# *URBAN MUNICIPALITY/INDUSTRY INFORMATION EXCHANGE*

*A Workshop Sponsored*

*by the*

*Advisory Committee on Heavy Oil and Oil Sands Development*

*Grand Centre, Alberta*
*September 18, 1986*

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## 1.0 INTRODUCTION

### 1.1 Purpose of the Advisory Committee

The Advisory Committee on Heavy Oil and Oil Sands Development was established under the Department of Energy and Natural Resources Amendment Act, 1983 and reconfirmed by the Department of Energy Act, 1986. In recognition of the impact made on communities by accelerated growth due to heavy oil and oil sands development, the Committee was formed to monitor such activity and to anticipate growth problems.

The main function of the Committee is to encourage and facilitate continuing communications among the organizations engaged in the business of heavy oil and oil sands development, the communities directly affected by that development, and the various government departments and agencies concerned in its regulation.

It also advises the government on the need for and timing of government programs designed to provide public services and facilities in areas of Alberta affected by the development of heavy oil and oil sands resources. As well, the Committee receives and assesses the concerns of residents in the vicinity of proposed further development respecting the possible effects of such developments on communities, and ensures these concerns and suggestions are brought to the attention of the government.

### 1.2 Objectives and Format of the Grand Centre Workshop

In accordance with their mandate as described above, the Advisory Committee determined in 1985 to host an information exchange workshop for the Cold Lake oil sands area involving local municipalities, industry, and government. Since the Committee's inception in 1983, it had met with each of these groups individually on several occasions and it was judged to be appropriate to now bring all three groups together. Because of the number of people involved and the complexity of the issues, it was decided to focus first on the concerns of the rural municipalities. This was accomplished at a workshop held in Elk Point, Alberta on November 25, 1985. Seventy-five people attended representing five rural municipalities, fourteen companies, and ten government agencies.

This workshop was judged to be highly successful and it was determined to duplicate the workshop for the towns and villages in the Cold

*Lake oil sands area. This was done in Grand Centre, Alberta on September 18, 1986. Seventy people attended this workshop representing ten municipalities, fourteen companies, and eleven government agencies.*

*The primary objective was to establish the basis for a closer ongoing relationship between industry and the urban municipalities based on an informed understanding of their mutual needs.*

*The secondary objective of the workshop was to increase the awareness of the urban municipalities in the Cold Lake area regarding the short- and long-term implications of the development of the Cold Lake oil sands area.*

*The format for the workshop was designed to maximize the contact between the municipal and industrial representatives. Formal presentations were kept to a minimum and were designed to provide some basic contextural information. The format then allowed the concerns of the participants to direct the remainder of the workshop.*

*The information exchange workshop began with brief presentations from three different perspectives. They dealt with the role of the provincial government in approval and regulation of oil sands development, the municipal viewpoint on issues and benefits related to oil sands development, and the needs and limitations of the industry operating in the oil sands area. This material is summarized in Section 2.0 of this report.*

*The remainder of the day was divided into two workshop sessions. For these workshops, the participants were divided into five groups each with a member of the Advisory Committee acting as facilitator. Each group contained representatives from the municipalities, industry, and government.*

*The first workshop was an issue identification session. Each group identified specific problems and issues related to the development of the Cold Lake oil sands area. The group also came to a consensus as to which issues were the most important. The results of this workshop are summarized in Section 3.0 of this report.*

*The second workshop session dealt with the development of recommendations on the priority issues. Each group more clearly defined a particular concern or issue, discussed what alternatives to the existing situation might be possible, and developed recommendations to improve the situation. The information exchange concluded with a*

*member of each group presenting their recommendations to a plenary session group. The results of this workshop are summarized in Section 4.0 of this report.*

## 2.0 SUMMARY OF PRESENTATIONS

Three presentations were given in the morning covering the development of the oil sands resource from different perspectives.

(1) Mr. Al Mayer (Energy Resources Conservation Board) — The Provincial Government Perspective.

(2) Mr. Ed Buck (Town of Elk Point) and Mr. John Sugden (Town of Cold Lake) — The Municipal Perspective.

(3) Mr. Howard Dingle (Esso Resources Canada Limited) — The Industry Perspective.

These presentations are summarized below. Copies of Mr. Mayer's and Mr. Dingle's full presentations are available upon request.

### 2.1 Oil Sands Development — The Provincial Government Perspective

Mr. Mayer's presentation began with a description of the purpose and structure of the Energy Resources Conservation Board (ERCB). The ERCB is a semi-autonomous body funded 50% by the province and 50% by an assessment on the energy industry and charged under provincial legislation with responsibility for oil, gas, oil sands, coal, hydro and electric energy and pipelines. Specifically with respect to the Oil Sands Conservation Act, the ERCB is responsible for ensuring that development occurs in the public interest and that good engineering practices are used with respect to conservation of the resources, the prevention of waste, and the use of orderly, efficient, economic, and safe methods and practices.

The nature and extent of the oil sands resource within the province and specifically within the Cold Lake oil sands area was described together with a brief indication of the existing level of mineral disposition and development of the resource within each of the deposit areas. Currently four major commercial oil sand schemes have been approved in the northern portion of the Cold Lake deposit (Esso, BP, Dome, Suncor) and an additional four in the southern Lindbergh/Elk Point portion (Amoco, Murphy, Dome, PanCanadian). In addition, these and other companies are engaged in exploration drilling and experimental projects. All of these activities have caused and will continue to cause a great deal of disruption in the region, although today many of the operations are reduced significantly due to current economic pressures. It was stressed that as technology improves, as

*conventional oil supplies decline, and as prices and markets improve, expansion into other parts of the known deposits will take place.*

*The procedures for licensing developments by the ERCB, including the information required from the industry, the requirements for public disclosure, referral process within government, and the role of the ERCB's public hearings were outlined. The roles of other government agencies in approval and regulation were also outlined. Alberta Environment has major responsibilities for Environmental Impact Assessments and also for any approvals required by the Clean Air Act, Clean Water Act, Water Resources Act, and the Land Surface Conservation and Reclamation Act.*

*Alberta Energy and Alberta Forestry, Lands and Wildlife have responsibility for issuing any necessary surface or subsurface land dispositions on Crown lands. Alberta Culture administers the Historical Resources Act which may require an archaeological survey before any surface disturbance occurs. Alberta Municipal Affairs and the local municipal councils prescribe General Municipal Plans and Land Use Bylaws to deal with orderly future development. While certain energy developments (wells, pipelines) are exempt, Development Permits are often required under the local Land Use Bylaw.*

*The presentation concluded by indicating where members of the public could get information on oil sands projects: directly from the companies involved; from the various government departments; or from the ERCB's Bonnyville Field Office or its Elk Point Information Center.*

### *2.2 Oil Sands Development – A Municipal Perspective*

*Mr. Ed Buck began his presentation by recounting the pressures experienced by the Town of Elk Point over the last few years. When an announcement is made that a heavy oil development project is imminent, the town council is immediately pressured by two groups to do something about the proposed development. The first group wants to ensure that the community grows and receives the economic benefits from the development. The second group likes the town the way it is and does not want to see it change. They hope that the growth can be directed elsewhere. This is the first problem many municipal councils have to deal with.*

*The second problem is dealing with the development and contracting companies, both local and from outside the area. They usually want their approvals and permits immediately and small communities do not have the experience to handle these situations quickly. Mr. Buck*

*acknowledged the assistance given to the town by the Northern Alberta Development Council and Alberta Municipal Affairs in dealing with this pressure.*

*The next problem faced by the town is the provision of the additional infrastructure needed to support the increased population. This problem is twofold - how much is required and how is it going to be financed? The Town of Elk Point was fortunate in that a management consultant was commissioned to develop a long-range impact study. This study looked at several growth scenarios and estimated the amount of new infrastructure that would be required. The document turned out to be extremely useful and Mr. Buck recommended that other communities undertake a similar impact study. The key to the success of the study was local participation in its preparation. Financing for the study was shared by the town, the major oil companies in the area, and the Northern Alberta Development Council.*

*In terms of financing growth, Alberta Municipal Affairs assisted in the preparation of a financial impact study which gave insight into the fiscal ability of the town to handle growth. A new General Municipal Plan and subsequent Land Use Bylaw were also required.*

*Another problem facing the community is social impact. Your town suddenly consists of three groups - old-timers, newcomers, and transients. How do they meld together? Growth puts a lot of strain on the people and there does not appear to be an easy way to handle it.*

*The current slump in the oil economy has placed additional financial pressures on the towns and villages. The tax assessment base is decreasing but the people still expect increased services. Outside of increasing the debt load, how is the community to finance this. Two suggestions were raised for further discussion at the workshop. One was the need for revenue-sharing with the rural municipalities. Usually, the development, with its tax revenue, is located in a rural area while the urban center is still expected to supply the services for the people. The second idea is for the senior levels of government to finance the infrastructure needed for a target population. This would be through, for example, a loan which would become repayable when the target population was reached.*

*Mr. John Sugden continued the municipal presentation by indicating he would focus on two issues; the Cold Lake/Beaver River Water Management Study and capital project financing as it relates to providing services and facilities for increasing populations.*

The town of Cold Lake agrees with the recommendations from the Beaver River study, but has two concerns. One is an interpretation problem with classifying effluent from the Cold Lake Fish Hatchery as waste water available for use by the heavy oil industry. This, in effect, greatly increases the total water withdrawal from Cold Lake. The second problem is with implementation. If the pipeline from the North Saskatchewan River is delayed, the short-term plan of ground water withdrawal may seriously deplete the total water supply over an extended period throughout the area. Also, the longer the pipeline is delayed, the more likely temporary groundwater withdrawals will become permanent. The Town of Cold Lake recommends that the pipeline be constructed according to schedule and that the industry be required to connect to it.

With respect to financing, Mr. Sugden reinforced the message given by Mr. Buck. Capital project financing has been and continues to be a major concern. A few years ago, the communities were encouraged to embark on capital works projects and land development to accommodate the anticipated growth. Because of this most towns have a high debt load and with the recent economic downturn, the debt load is overshadowing additional capital borrowing. Many needed projects, such as upgrading the older parts of town, are being postponed. The provincial government needs to be innovative in the area of funding for municipalities of fluctuating size and economies in northeast Alberta.

### 2.3 Oil Sands Development — A Perspective From Industry

Mr. Dingle's presentation focused on how communications can and must be used effectively to deal with the current uncertainties and other key issues affecting both the heavy oil industry and the communities. All parties experience frustration in attempting to plan for the future in a constantly changing environment and Mr. Dingle presented some thoughts from the industry perspective on how that planning might be accomplished.

The industry's strategy for development of the heavy oil resource since the cancellation of the "mega-projects" has been a "phased" approach, adopted in varying forms throughout the industry. This strategy emerged in recognition of the uncertainty and risk in the business environment but has had the additional benefit of creating manageable levels of community and environmental impacts. Phased development provides more opportunities for activities such as community planning to occur in a logical, progressive manner.

*The rate of development remains difficult to predict but over the past three years, the industry has invested over $1 billion in the Cold Lake oil sands area. This spending has resulted in significant local, provincial, and national benefits in terms of direct and indirect employment and demand for goods and services. Currently, the oil industry is contending with lower prices and its ability to finance new capital investment is reduced. While there is gloom in the industry, it is important to remember that heavy oil operations do differ significantly from conventional oil operations. Heavy oil operations require much higher levels of sustaining investment to maintain production. Regardless of levels of new project development, the existing operations will serve to generate significant ongoing benefits to the region.*

*From an industry perspective, the Cold Lake oil sands area represents an excellent example of the success of an open consultative approach to industry-community communications. It has become practice to identify and resolve public concerns early in project planning. In this period of uncertainty, it is also vitally important to maintain this communication among industry, affected communities, and government.*

*The approach to communications has involved the use of a variety of mechanisms and forums, including the Cold Lake Community Advisory Committee, open houses, information offices, and through publications and the media. The industry is prepared to use any mechanism available providing a number of key factors are satisfied — there is a willingness and commitment of all parties involved to make it work, those parties having a direct interest in an issue are involved, there is flexibility to recognize that heavy oil development is inherently cyclical. Two examples, the completed Cold Lake/Beaver River Water Management Study and the ongoing Cold Lake Integrated Resource Plan, were cited as positive examples where these factors were met. Both of these illustrate the value of a regional approach to planning processes which define common objectives, issues, and solutions. It was pointed out that in situations where an individual has a concern, it is best resolved directly by communication between the company and the individual.*

*Mr. Dingle concluded by observing that companies are often perceived as faceless entities. In reality, they are composed of people backed up by technology and capital assets. A great deal of effort is devoted to ensuring that communities are familiar with the people who are company representatives and fellow citizens. The company representatives live and work in the communities, have similar values as their fellow citizens, and bring individual skills and experiences to enrich the communities.*

## 3.0 ISSUE IDENTIFICATION WORKSHOP – RESULTS

Following the initial presentations, the workshop participants were divided into five groups with a member of the Advisory Committee acting as discussion facilitator. Each group had one hour to identify specific concerns and issues related to the development of the Cold Lake oil sands area and to indicate which issues had the highest priority for resolution. The top three issues identified by each group are listed below. As can be seen, several issues were identified by more than one group.

Group A Priority Issues

(1) In terms of water management, are the needs of the communities being protected over the long term?

(2) Is there a need to implement the concept of an energy corridor as envisaged in the mid-1970s?

(3) How to improve and increase communication between the involved parties?

Group B Priority Issues

(1) How can municipalities plan in uncertain times/respond to changing company scenarios?

(2) How can the communication needs of the community be met?

(3) How can services and facilities be provided in a timely and financially responsible manner?

Group C Priority Issues

(1) There is a need for a long-term commitment from senior governments. Long-range planning needs to be linked with long-range funding.

(2) There is a need for a formal tax transfer system for sharing revenue between urban and rural municipalities.

(3) The needs of the rural areas, such as road maintenance and services to rural residents, should not be overlooked.

*Group D Priority Issues*

*(1) How do communities deal with the changing impacts (financial, social, infrastructure) due to the uncertain economic climate?*

*(2) How do communities deal with the social problems caused by growth?*

*(3) How can the municipality finance the new infrastructure required to accommodate growth?*

*Group E Priority Issues*

*(1) Need for communication at all levels must be improved.*

*(2) Need for water management in terms of future supply as well as appropriate disposal of waste water.*

*(3) Assistance to communities in financing infrastructure and capital expansion improvements.*

*In addition to these, a few additional concerns were identified which were not placed by any group in their top three priorities. These included:*

*(1) Workforce and vocation management is required to ensure minimum levels of unemployment and relevant skill training.*

*(2) When should land be developed for industrial or municipal purposes and by whom?*

*(3) There is a need for improved communication not only between the industry and the municipalities, but also between municipalities.*

*(4) Are water quality, air quality, and land reclamation guidelines strong enough to prevent environmental degradation?*

*(5) Pressures on the housing supply lead to high sale and rental costs. Those people without an oil industry income cannot afford proper housing.*

## 4.0 ISSUE RECOMMENDATION WORKSHOP — RESULTS

Based on an analysis of the results from the issue identification workshop, each group was asked over the next two hours to clearly define a particular issue, discuss what alternatives to the existing situation might be possible, and develop recommendations to improve the situation. The final part of the workshop involved a short presentation to the entire group of the conclusions reached. These presentations are summarized below.

### 4.1 Group A Recommendations

Group A, with Mr. Bill Payne acting as facilitator, discussed the issues of water management and the need for an energy corridor. The presentation of the results was made by Mr. John Sugden.

The original issue, related to water management, was how much water could be supplied to the heavy oil industry from local sources, either surface or groundwater, without causing a deleterious impact on the region environmentally, recreationally, and economically. The Cold Lake/Beaver River Water Management Study addressed this issue and its results are generally applauded in the Cold Lake oil sands area. This study proposes a short-term scheme allowing for water withdrawal from local sources and a long-term scheme requiring the construction by 1991 of a supply pipeline from the North Saskatchewan River.

Unfortunately, there is now a concern that the original recommendations of the Water Management Study are not being adhered to by the involved parties, particularly the provincial government. There are matters of interpretation of what constitutes withdrawal, particularly with respect to use of waste water from the Cold Lake Fish Hatchery. There is also a rising perception in the area that the pipeline may not be built on schedule and some companies will not connect to it.

The recommendations of the workshop group are that the terms of the Water Management Study should be adhered to and that both industry and government need to communicate their intentions better to the communities.

The second question discussed was whether there was a need for an energy corridor from the Cold Lake oil sands area to the refineries and upgraders near Edmonton. The group did not derive any specific recommendations on this concern noting a need for further investigation. For example, the status of the Athabasca Tar Sands Corridor Study (1974) is unknown; and the success/failure of this Fort

McMurray corridor would add insight into the viability of a Cold Lake corridor.

Some of the benefits and limitations to an energy corridor were noted by the group. Benefits would include increased safety, less farmland fragmentation, and easier approvals for rights-of-way through developed areas. Problems would include the cost of developing such a corridor and getting industry to connect directly to the corridor at the closest point rather than angling their pipelines directly to the refineries at Edmonton.

### 4.2 Group B Recommendations

Group B, with Mr. Dick Aberg acting as facilitator, examined the issues of planning in uncertain times and the provision of services in a timely and financially responsible manner. The presentation of the results was made by Mr. Roger Brekko.

Many suggestions were brought forward as to how a municipality can better plan in responding to changing company scenarios. Firstly, there is definitely a need to link the information that the companies have with the municipal information. Decisions are made by the municipality on the basis of the information. The industry should update the communities on a regular basis on what is going on in the industry. Perhaps the industry could also sponsor background information seminars to better inform councilors on the technology and requirements of the industry.

Projections of growth often disagree and there is need for an "agency" that can analyze all the various scenarios and facilitate their use in the municipal planning system. Possible options for this "agency" include (1) an outside wing of Alberta Municipal Affairs, (2) an expansion of the role of the Energy Resources Conservation Board, (3) establishment of a Regional Planning Commission, or (4) a regional "guru" such as Al Craig was to be in the days of the Cold Lake mega-projects or the former Northeast Commissioner in Fort McMurray. A concern with this agency was the possibility that companies could begin to deal exclusively with it and neglect their contacts with the local councils.

The final recommendation in terms of planning was to encourage the use of top down forecasting so that goals and objectives can be developed in a national-provincial-regional-local hierarchy.

The second issue discussed was the provision of services. How to finance services is the main concern. One suggestion raised was the

*establishment of a provincially-administered Cold Lake Development Fund which would receive a percentage of royalties from the area. Tax sharing between autonomous municipalities may be difficult to arrange, but is a workable solution. Levying special taxes on industry is also possible, but assessment would be subject to radical shifts, endangering the municipal budgeting process.*

*In terms of when to supply services, it must be remembered there is both a human (personnel) and physical (buildings, facilities) aspect to be supplied. There is a perception in most communities that the province, which is responsible for supplying most health and social services, is slow at responding to growth needs. The province needs to communicate better to the communities what the threshold levels are for supplying, for instance, an additional social worker.*

*The group discussed a few specific areas in terms of why social problems arise. It was believed that most problems manifested themselves in the first six months of moving to a smaller community. Young families, for example, moving from the city have certain expectations as to services and facilities. Small rural communities cannot supply these urban services. Suggestions for improving the situation included having the companies better inform their employees when they transfer them as to what to expect in the area. The municipalities can also encourage the formation of "Welcome Wagon" or other types of clubs to acquaint new arrivals with the town. "Community awareness nights/open houses" to introduce new arrivals to the facilities and services offered by the community could also be tried.*

### *4.3 Group C Recommendations*

*Group C, with Mr. Bill Slawuta acting as facilitator, analyzed the need for long-range funding and looked at the urban-rural interface. Reports were presented on these issues by Mr. Bob Paynter and Ms. Eva Urlacher, respectively.*

*With respect to long-range funding, the workshop group came up with six points:*

*(1) Northeast Alberta needs to be recognized as a special area. It is heavily impacted by the development of the heavy oil industry while the benefits are spread throughout the province. There is a feeling that the area is not receiving enough of the revenue generated in the area.*

(2) Funding must be integrated with long-range planning. For example, if a town of 1000 has to provide facilities for 5000 over three years, there should be funding in place for that population threshold.

(3) An understanding is required that the municipalities are not able to provide this funding. Tax revenue from industrial development can pay for facilities and services in the long term, but in the interim, the municipality is subject to an unacceptably high debt load.

(4) Senior governments should make a commitment to make funding available. This will make the economic ups and downs more palatable to the local municipalities.

(5) Two suggestions were made as to where the province should get the financing. Sources could be either general revenue or from royalties derived in the area (1% was suggested).

(6) One method of securing up-front funding was not encouraged by the group. This was by special levy or taxation on the industry. It was felt this would be a heavy burden on the industry and that it would be written off elsewhere by the companies.

On the issue of rural growth, the group concluded that there is no wish or need to control growth beyond that which is possible with existing control mechanisms. However, there should also be recognition that growth in rural areas does increase demand on services and facilities in the towns and villages. A system should be in place with guidelines to pay urban suppliers for services requested by rural residents.

### 4.4 Group D Recommendations

Group D, with Mr. Ralph Evans acting as facilitator, investigated social problems and municipal financing. The report was given by Mr. Lynn Patterson.

Mr. Patterson noted that there was considerable overlap with other groups and many points would be repeated from earlier presentations. The social problems identified by the group included increased crime, domestic disputes, alcohol and drug problems, excessive personal debt, job instability, and newcomer/old-timer integration.

The group recommended that corporate participation in the community should be maintained and in some instances increased. This would

*include not only company encouragement of employee involvement in community affairs but also that the companies be actively involved in the dissemination of information and the provision of financial resources for services and facilities. The formation of organizations such as "Crime Watch" and "Block Parents" are also important in preventing social problems.*

*The group also agreed that there was a need to recognize the cyclical nature of the industry and that social impact varies from "boom" to "bust". Again, there is a need for assistance from the province in providing adequate funding for the front-end costs of increased social infrastructure. It was also suggested, that to even out the ups and downs of the industry, consideration might be given to a scheme for oil price stabilization.*

*With respect to municipal financing, the group endorsed many of the recommendations made by earlier speakers. Oil Companies are encouraged to have responsible disclosure and tell the municipality what will be required in additional housing, services, etc., as a result of the development. Both the companies and the various provincial government departments need to update the municipalities on a timely basis. The need for up-front funding was discussed under social problems.*

*The need for coordinated communication and planning while the development is occurring was stressed. Often, when a council is faced with a situation, they request advice from Edmonton. Unfortunately, the advisor usually turns out to be a specialist and can only deal with one aspect of the problem. For example, Transportation will provide expertise on how to best build roads or Municipal Affairs on how to put together a land use bylaw, but neither can help with the financial implications or budgeting. There is a need for a team approach to supply help and resources to the communities.*

*As a final note, Group D commented that the Information Exchange Workshop was a timely and worthwhile event and should be continued.*

### 4.5 Group E Recommendations

*Group E, with Mr. Don McGladdery acting as facilitator, discussed the need for better communication among all involved parties. Mr. Don Towson gave the summary report.*

*The workshop group defined four component parts to the problem:*

*(1) The public perceives that information is not released soon enough, nor is it up-to-date.*

*(2) The public assumes that more information is available.*

*(3) Contrary to public belief, industry and government do not have all the answers.*

*(4) Numerous interest groups, each with different needs and objectives, must be satisfied.*

*It was perceived by the group that communications between industry, government, and the public are much better today than they were a few years ago. A number of initiations have contributed to this improvement. They include the Cold Lake Community Advisory Committee which provides a forum for the public to bring their concerns to an independent body, regular industry contact with municipal councils, established interest groups such as surface rights associations, and individuals who have concerns, and the use of central information centers such as the ERCB's facility in the Elk Point Library. It was noted that this latter is relatively expensive to maintain and is underutilized. Information is also dispersed through effective use of the local media and through government activities such as hearings sponsored by the ERCB and other regulatory agencies.*

*The group concluded that while communications have improved, there are still areas of concerns that can be improved to make a good situation better. The group felt that the onus to inform the public in affected areas should be on both industry and the government. For example, companies should ensure that their site managers have a high profile in the local community and represent their respective companies to the general public. Information should be presented fully to the public in a timely and ongoing basis. Full details of development proposals including side benefits and problems should be disclosed.*

*Finally, it was recommended that a combination of strategies continue to be used to ensure that communication objectives are satisfied. This is particularly necessary as local needs may differ significantly depending on the geographic locale. Needs also change over time. It is, therefore, important for the people doing the communicating, whether its industry or government, to find out what the needs of the audience are, what their major areas of concern are, and what is going to be the most effective means of communicating with them.*

## 5.0 WORKSHOP EVALUATION SUMMARY

Each participant was given an evaluation form on the day's activities to be completed. A good proportion of those in attendance did so. The information on these evaluation forms has been collated and analyzed as follows.

Question 1 Are you a representative of:

| | | |
|---|---|---|
| (a) | a municipality | 11 (of a possible 19) |
| (b) | industry | 15 (of a possible 28) |
| (c) | government | 9 (of a possible 23) |
| | TOTAL | 35 (of a possible 70) |

This is a 50% return rate.

Question 2 Did you receive notice of this meeting early enough? Did you receive enough material with the invitation to adequately explain the purpose of the workshop? If not, what would you have liked to have known?

Response Thirty-four indicated they received notice of the meeting early enough. One municipal representative indicated earlier notice would have been appreciated.

In terms of preworkshop material, only three individuals (two municipal, one government) requested more information. Specifically requested were a more detailed agenda and a copy of the most recent Advisory Committee Annual Report.

Question 3 Were the physical facilities for the workshop adequate?

Response In terms of the physical facilities, everyone found them excellent. Minor complaints were noted on room temperature, acoustics (two), lack of a designated non-smoking section, and odor from the maintenance work ongoing in the adjacent physical activities complex (three). Two people also commented that the overhead transparencies could not be adequately seen from the back of the room.

Question 4 Which portion of the day's events did you find the most interesting and useful? Which portion of the day's events did you find the least interesting and useful? What was your overall reaction to the information exchange workshop?

*Response*

| *Most Useful Portion* | *Mun.* | *Ind.* | *Gov.* | *Total* |
|---|---|---|---|---|
| *Workshop portions* | *5* | *7* | *5* | *17* |
| *Wrap-up presentations* | *3* | *2* | *1* | *6* |
| *Entire day* | *3* | *4* | *1* | *8* |
| *Background presentations* | | *2* | *2* | *4* |
| *Least Useful Portion* | | | | |
| *Background presentations* | *1* | *4* | *5* | *10* |
| *Wrap-up presentations* | *1* | | *1* | *2* |
| *Workshop portion* | | | *1* | *1* |
| *Driving to and from* | *1* | | | *1* |
| *Overall Rating* | | | | |
| *Useful, very useful* | *11* | *15* | *9* | *35* |
| *Slightly useful, not useful* | *0* | *0* | *0* | *0* |

*Municipal representatives' comments* *"The exchange was very interesting and the knowledge gained will be useful." "Any opportunity for communication is excellent." "We found we had many of the same concerns yet came from unique areas." "A most useful exchange of perspectives and ideas."*

*Government representatives' comments* *"Information sharing is always useful." "Many of the issues are not new. They need to be dealt with, not discussed more." "Gained better understanding of how the three factions work with and against each other." "Best exchange was on an informal basis between sessions."*

*Industry representatives' comments* *"Learned what municipal councils and public interest groups are concerned with." "Any interchange of ideas and information is worthwhile." "Good ideas brought forth by all sectors present."*

*Question 5* *Other comments or suggestions. If the Advisory Committee hosts more workshops, how can we make them more beneficial?*

*Municipal representatives' comments* *"Possibly have more time to discuss essential issues." "More municipal representatives should attend." "A lot of the recommendations were recycled from past meetings." "Unfortunate that more MLAs could not attend." "Difficult to reach consensus in such large groups." "Too long."*

*"More feedback needed on how recommendations may affect government policy."*

*Industry representatives' comments* *"Need more in-depth background presentations." "Avoid media presence during wrap-up presentations." "Continue hosting each six months in the regional area." "Be more punctual and follow timelines on agenda." "Smaller groups needed." "Format is very good." "Perhaps identify problems beforehand and set different groups to work on them. This reduces the scope but recommendations are more meaningful and practical." "Workshops must be maintained and also committees should be set up with all three groups to work through the planning of an area development from beginning to end."*

*Government representatives' comments* *"Provide a stronger linkage to effective results as a consequence of these workshops." "Perhaps some way could be found to shift the composition of the workshop groups at midday." "Assign appropriate government and industry people to issues in which their expertise can be better utilized." "More use of audio-visuals."*

## 6.0 CONCLUSION

*The Advisory Committee thanks all the participants for their contributions to the Grand Centre workshop. Overall, the event is judged to have been a success.*

*The Advisory Committee will be considering the results of the workshop further. In addition, this summary report is being forwarded to the various government agencies involved in the development of oil sands with a request they examine the recommendations directed at them. The Advisory Committee will also be convening a meeting in early 1987 with its interdepartmental technical liaison committee to discuss with the various provincial government agencies the recommendations from both the Grand Centre and Elk Point workshops. It is also hoped that the local municipalities and the industry will consider the recommendations directed at them.*

*The Advisory Committee encourages further comments or a response from any of the participants to the issues identified in this report.*

## APPENDICES

A — REGISTRATION LIST

B — NEWSPAPER ARTICLES AND PHOTOGRAPHS

**REGISTRATION LIST**
**COLD LAKE OIL SANDS DEPOSIT**
**URBAN MUNICIPALITY/INDUSTRY INFORMATION EXCHANGE**

*September 18, 1986 -- Grand Centre, Alberta*

*Advisory Committee*

Bill Payne, MLA
Dick Aberg
Ralph Evans
Don McGladdery
Bill Slawuta
Lanny Coulson

*Municipalities*

Town of Bonnyville
    Leo Vasseur
Town of Cold Lake
    John Sugden
Village of Dewberry
    Gertrude Blacklock
Town of Elk Point
    Ed Buck
    Pat Vincent
Town of Grand Centre
    George McDougall
    Lynn Patterson
Improvement District #18
    Eva Urlacher
City of Lloydminster
    Herb Flieger
    Roger Brekko
Village of Myrnam
    Doug MacLennan
County of Two Hills
    John Bober
    John Dudar
County of Vermilion River
    Frank Wheat
    Clarence Goldsmith
    Harold Nickles

*Cold Lake Community Advisory Committee*
*Don Appleby*
*Bob Strayer*
*Mabel Strayer*

*Industry*

*Amoco Canada Petroleum Limited*
*Jack Savage*
*Laura Hunter*
*BP Canada Inc.*
*Ken Layton*
*Stewart MacKinnon*
*Canadian Occidental Petroleum Limited*
*John Hutchinson*
*John McKay*
*Dome Petroleum Limited*
*Ron Denney*
*Bob Hempstock*
*Bill Wowchuk*
*Esso Resources Canada Limited*
*Terry Densmore*
*Howard Dingle*
*Barry Noble*
*Husky Oil Operations Limited*
*Malcolm Laird*
*Vic Smith*
*Koch Exploration Canada Limited*
*Harvey Gardiner*
*Mobil Oil Canada Limited*
*Dwight Campbell*
*Bob Ehrler*
*Bob Weir*
*Murphy Oil Company Limited*
*Linden Bland*
*Norcen Energy Resources Limited*
*Brian Adolph*
*Fred Gagnon*
*PanCanadian Petroleum Limited*
*Jim Mather*
*Bob Paynter*
*Petro-Canada Resources*
*Lee Lewis*
*Don Towson*

*Suncor Inc.*
*Del Vaughan*
*Westmin Resources Limited*
*Gordon Bryanton*
*Gordon McCuaig*

*Government*

*Advanced Education (Lakeland College)*
*Ed Jenson*
*Doug Schmit*
*Education*
*David Kinnaird*
*Employment and Career Development*
*Bev MacKeen*
*Energy Resources Conservation Board*
*Al Mayer*
*Environment*
*Ron Hicks*
*Bob Onciul*
*John Shires*
*Jim Snidel*
*Forestry, Lands, and Wildlife*
*Kirk Andries*
*Morley Christie*
*Municipal Affairs*
*Ron Denboer*
*Gordon Hannon*
*Wayne Jackson*
*Bill Symonds*
*Keith Vogl*
*Lillian Souray (Native Services)*
*Moosa Jiwaji (Housing)*
*Northeast Alberta Health Unit*
*Richard Taki*
*Northern Alberta Development Council*
*Gerry Archibald*
*Tourism*
*Rick Siddle*
*Transportation*
*Henri Hetu*
*Don Szarko*

# ERCB man predicts more heavy oil growth

William Mayer of the Energy Resources Conservation Board said Thursday you can expect to see much more activity in heavy oil production in the area in the future.

Mr. Mayer made the comment in his address to the Advisory Committee on Heavy Oil and Oil Sands Development in Grand Centre.

"When that will happen will depend on many factors, including middle east politics, which are notably unpredictable," he said. "Our best guess today is that it may take six months to two years for prices to rise and activity to resume.

"There are two main activity areas at the present time, but that certainly doesn't mean that it will be limited to these areas in the future. Much the contrary. I would expect that as the knowledge of how to get these resources out improves, as the supply of energy from other sources such as conventional oil declines, as markets grow, and especially as oil prices improve, operators will expand into other parts of the known oil sands deposits."

Mr. Mayer addressed the committee to present background knowledge on the role of the ERCB. In a nutshell, the ERCB is mandated to ensure that development occurs in the public interest and using good engineering practices with respect to conservation of the resource, the prevention of waste and the use of orderly, efficient, economic and safe methods and practices. ERCB approval is required for a project start, and approval may require a public hearing and meeting certain conditions.

Mr. Mayer said his estimate for the combined capital investment in the Cold Lake region to date is about $2 billion.

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*Group consensus*

# Water plan policing is vital for environment protection

Requirements of the Beaver River Water Management Plan, both short and long term, should be carefully followed by industry, said a recommendation from a group of industry and municipal officials.

The recommendation came from one of the discussion groups at Thursday's Grand Centre meeting of the Committee for Heavy Oil and Oil Sand Development at the Leisure Sports Village.

Cold Lake Councillor John Sugden delivered the final recommendation from that group discussion to the over 70 delegates to the one-day workshop that focussed on urban problems in relation to heavy oil development.

The ultimate recommendation of the plan, an expensive pipeline from the North Saskatchewan River to feed water to the steam consuming oil production plants, has been in limbo since it was announced over a year ago in Ardmore by former Environment minister Fred Bradley. The deadline for implementation of that alternative is 1991, and industry was ordered to put the pipeline in. In the interim, short term levels of water withdrawal for all projects in the Cold Lake area were established.

Councillor Sugden's group said limitations on short term water withdrawals should be carefully regulated because they could easily be exceeded causing environmental damage.

Further, the group determined that in regard to water usage perhaps "there were some things that we should be hearing (from industry) that we're not hearing."

The group also discussed the possible benefits of an energy corridor ', but made no recommendation saying more information is needed.

Other groups focussed on the growth problems of municipalities faced with burgeoning growth industries like heavy oil. They recommended strong communciation between local government and the province and industry. Members from Lloydminster pointed to the Community Advisory Committee in Cold Lake as one effective means.

They said consistently updated information from industry on growth projections would help for planning future town needs.

They said the province should offer extra help to boom communities. Specifically, one group suggested the province should front end the cost of developing the expanded social services needed to cope with problems in a boomtown.

Grand Centre / Cold Lake Sun
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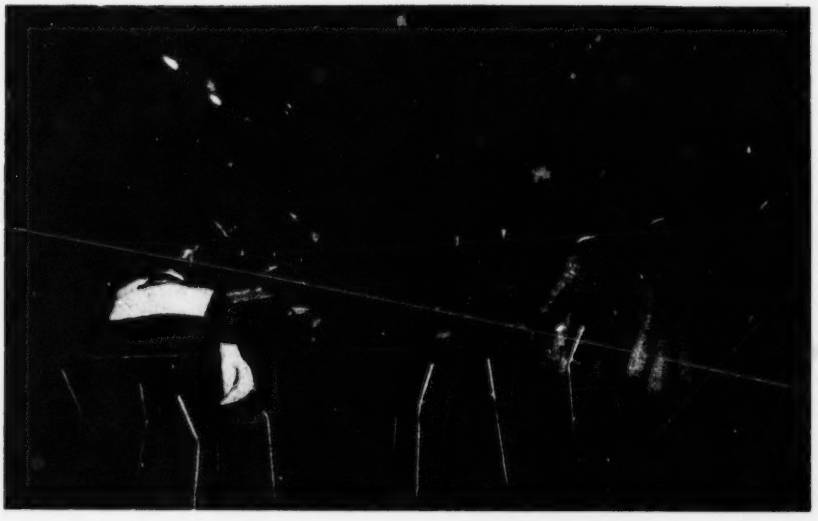
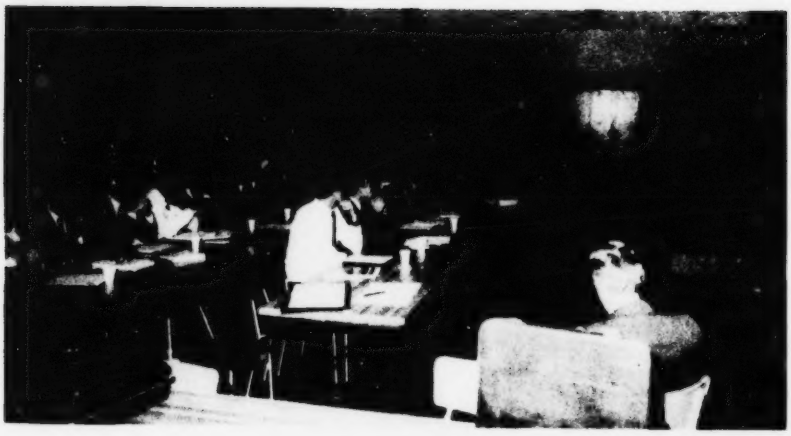
*WORKSHOP SESSIONS*

*Group A*



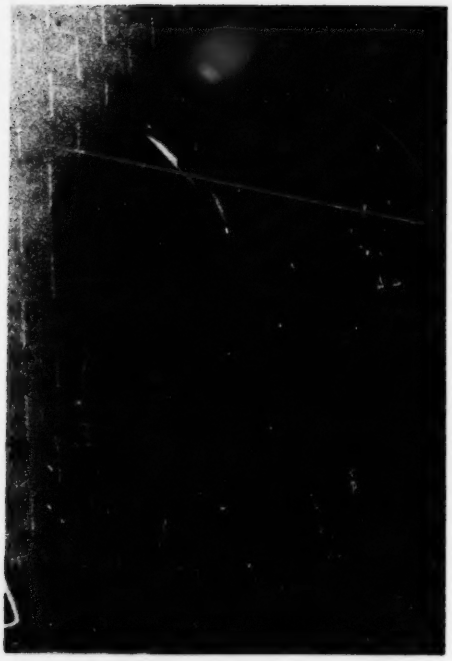
*Group B*

*Group E*

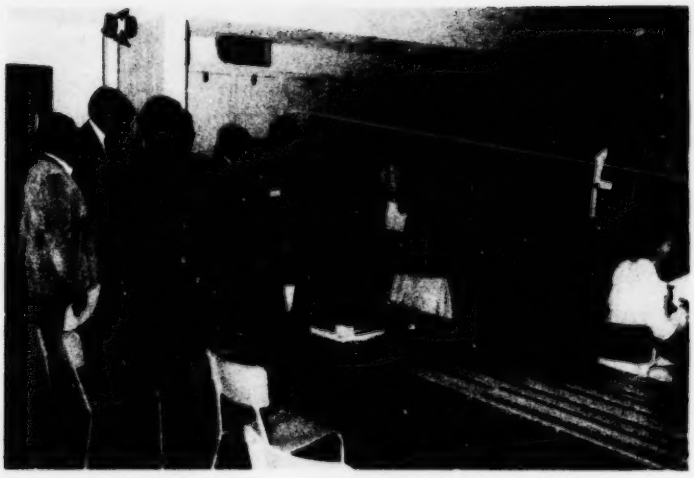


*Morning Plenary Session*

*Afternoon Feedback Presentation Session*



*Elk Point Mayor Ed Buck Addresses Workshop*



*Informal Information Exchange*